

107TH CONGRESS
2D SESSION

H. R. 3661

To amend the National Housing Act to simplify the downpayment requirements for FHA mortgage insurance for single family homebuyers.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 29, 2002

Mr. NEY introduced the following bill; which was referred to the Committee on Financial Services

A BILL

To amend the National Housing Act to simplify the downpayment requirements for FHA mortgage insurance for single family homebuyers.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “FHA Downpayment
5 Simplification Act”.

6 **SEC. 2. DOWNPAYMENT SIMPLIFICATION.**

7 (a) IN GENERAL.—Section 203(b) of the National
8 Housing Act (12 U.S.C. 1709(b)) is amended—

9 (1) in paragraph (2)—

1 (A) in subparagraph (A), by realigning the
2 matter that precedes clause (ii) an additional 2
3 ems from the left margin;

4 (B) in the matter that follows subpara-
5 graph (B)(iii)—

6 (i) by striking the seventh sentence of
7 such matter (relating to the maximum
8 amount of a principal obligation of a mort-
9 gage) and all that follows through the end
10 of the penultimate undesignated para-
11 graph; and

12 (ii) by striking the second and third
13 sentences of such matter; and

14 (C) by striking subparagraph (B);

15 (2) by transferring and inserting subparagraph
16 (A) of paragraph (10) after subparagraph (A) of
17 paragraph (2) and amending such subparagraph by
18 striking all of the matter that precedes clause (i)
19 and inserting the following:

20 “(B) not to exceed an amount equal to the
21 sum of—”;

22 (3) by transferring and inserting the last undes-
23 ignated paragraph of paragraph (2) (relating to dis-
24 closure notice) after subsection (e), realigning such
25 transferred paragraph so as to be flush with the left

1 margin, and amending such transferred paragraph
2 by inserting “(f) DISCLOSURE OF OTHER MORT-
3 GAGE PRODUCTS.—” before “In conjunction”;

4 (4) by transferring and inserting the sentence
5 that constitutes the text of paragraph (10)(B) after
6 the period at the end of the first sentence that fol-
7 lows subparagraph (B) (relating to the definition of
8 “area”) and amending such transferred sentence by
9 inserting “(2)” after “this paragraph”; and

10 (5) by striking paragraph (10) (as amended by
11 the preceding provisions in this section).

12 (b) CONFORMING AMENDMENTS.—Section 245 of the
13 National Housing Act (12 U.S.C. 1715z–10) is
14 amended—

15 (1) in subsection (a), by striking “, or if the
16 mortgagor” and all that follows through “case of
17 veterans”; and

18 (2) in subsection (b)(3), by striking “, or, if
19 the” and all that follows through “for veterans,”.

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